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Senate Bills 645 and 646 (as reported without amendment)
Sponsor: Senator Roger Kahn, M.D.
Committee: Finance

CONTENT

Senate Bill 645 would amend the Girl Scouts of Michigan Fund Act to do the following:

- Rename the Act the "Girl Scouts and Boy Scouts of Michigan Fund Act".
- Provide for the creation of the "Girl Scouts and Boy Scouts of Michigan Fund", rather than the current Girl Scouts of Michigan Fund.
- Require money in the Fund to be disbursed equally between the Girl Scouts organizations and the Boy Scouts organizations located in Michigan.

Senate Bill 646 would amend the Income Tax Act to require the schedule of taxpayer donations on the individual income tax return to include a check-off for the Girl Scouts and Boy Scouts of Michigan Fund.

The Act allows an individual to designate on his or her annual tax return that a contribution of \$5, \$10, or more of his or her State income tax refund (or additional tax liability) be credited to any of the funds listed in the Act. The Department of Treasury must create a schedule of the specified check-offs.

Beginning with the 2011 tax year, the funds on the schedule of check-offs have included the Girl Scouts of Michigan Fund. Under the bill, instead, the check-offs would include the Girl Scouts and Boy Scouts of Michigan Fund, beginning with the 2014 tax year.

The bills are tie-barred.

MCL 206.921-206.924 (S.B. 645)
206.435 (S.B. 646)

Legislative Analyst: Suzanne Lowe

FISCAL IMPACT

The bills would have no fiscal impact on State or local government. The check-off provisions on individual income tax returns are for voluntary donations and do not affect State revenue. There currently is a check-off for Girl Scouts of Michigan. Donations to the Girl Scouts of Michigan through the check-off were \$59,505 for tax year 2011 and \$41,677 for tax year 2012. Tax year 2013 data are not yet complete. Current law provides that if a check-off raises less than \$50,000 for two consecutive years, the organization must be removed from the tax form. Adding the Boy Scouts to the check-off would keep it on individual income tax forms for 2014 and 2015, even if the donations to the Girl Scouts of Michigan for 2013 are less than \$50,000. Revenue from the check-off for the Girl Scouts and Boy Scouts of Michigan would be divided equally between the two groups.

Date Completed: 4-30-14

Fiscal Analyst: Elizabeth Pratt

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Bill Analysis @ www.senate.michigan.gov/sfa

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